

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

F
5

Foreign Crops and MARKETS



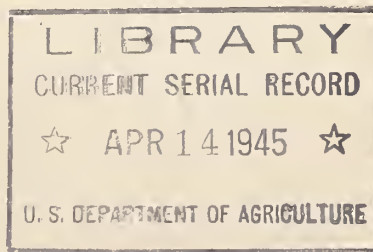
VOLUME 50

NUMBER 15

IN THIS ISSUE

APRIL 9, 1945

	Page
GRAINS, GRAIN PRODUCTS, AND FEEDS	
World Rice Production Declines	170
Uruguay Harvests Reduced Small-Grain Crops	176
Bolivia Reports Favorable Crop Prospects ..	176
Cuba Buys Ecuadoran Rice	176
VEGETABLE OILS AND OILSEEDS	
Southwest Pacific Copra Production	173
Cuban Stocks of Fats and Oils at Low Level	176
COTTON AND OTHER FIBERS	
Burma Cotton Production Maintained at Pre-War Level	177
Weekly Cotton Prices on Foreign Markets ...	177
FRUITS, VEGETABLES, AND NUTS	
Chilean Fruit Production Will be Lower	177
Mexican Fresh Vegetable Shipments Continue to Increase	178
LIVESTOCK AND ANIMAL PRODUCTS	
Terms of Canadian-British Beef Contract Clarified	178
Canadian Sheep and Wool Production at Wartime Peak	179



Issued by the OFFICE OF FOREIGN AGRICULTURAL RELATIONS
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

WORLD RICE PRODUCTION DECLINES ^{1/}

World rice production for the 1944-45 season (August-July) is estimated to be slightly under that of a year ago, and from 5 to 10 percent below the amount harvested annually before the war. This year's crop is unofficially estimated at 6,790 million bushels against 6,910 million last year, and the pre-war average of 7,400 million for the 5-year period, 1935-36 to 1939-40. The decline has been due entirely to a drop in Asia's production, which normally accounts for about 95 percent of the world's total crop. The rice shortage that developed among the United Nations as a result of the war stimulated production in most Allied countries where climatic conditions were favorable, particularly in the Western Hemisphere.

The 1944-45 production in Asia is forecast at about 6,390 million bushels, compared with 6,530 million a year ago. The forecast represents a reduction of about 10 percent compared with the average of 7,100 million before the war. The accumulation of large surpluses after the principal exporting countries were occupied and transportation was disrupted caused a sharp decline in the rice acreage of the Far East. With the normal exporting countries under Japanese control, very little rice has been moving into export channels. It is understood that British Malaya is obtaining rice from Thailand, and small quantities from Burma. Japan continues to secure rice from Korea and possibly a negligible amount from Formosa. In general, however, rice trade in the Far East has declined to an extremely low level.

Stocks of rice this season in the normal Asiatic exporting countries are believed to be much below the pre-war level. It is believed that the quantities available will be insufficient to meet the demands in the Asiatic deficit areas when transportation facilities become available. Present reports indicate that very little Asiatic rice is likely to be exported to markets outside of Asia for at least a year after liberation.

The only areas of Asia, unoccupied by the enemy, where rice constitutes an important item in the diet are a large part of China, India, and Ceylon in the Far East, and the countries of the Near East. In 1944 China harvested the largest crop in 5 years. The production for the 15 Provinces of Free China, which normally account for about 75 percent of the output of all China, was

officially estimated at 1,802 million bushels, a large increase over the 1,574 million bushels produced in 1943. Rice supplies in most parts of Free China are greater than at this time last year, but distribution continues to be a major problem. The normal Chinese surplus rice centers along the Yangtze River are now occupied, but a substantial proportion of the fields are in Free China. Before the war, China's average outturn of 2,600 million bushels represented about 35 percent of the world's rice production, as compared with 25 percent for India, the second largest producing country. Chinese imports amounted to about 1 billion pounds annually.

The 1944-45 Indian rice harvest is expected to be substantially smaller than the bumper crop last year. The area planted was about 1.5 percent greater than the expanded acreage a year earlier, but weather conditions in some parts of India have been unsatisfactory. The condition of the crop has been reported from fair to average. Prospects for a sufficient supply of rice for all India in 1945 are reported uncertain. In the Province of Bengal, where a normal harvest has been reported this year, the carry-over from the large production in 1943-44 may be sufficient to maintain food supplies at satisfactory levels.

Production in Ceylon has remained at a low level, despite the tremendous demand since the cessation of rice imports from other parts of the Far East. Before the war, approximately 1,200 million pounds were imported annually, compared with domestic production of about 15 million bushels (400 million pounds). With former rice supplies cut off, Ceylon has been confronted with a serious food problem during the war.

At the outset of the war, Japan gained control over a large part of sections in

^{1/} A complete report on World Rice Production and Trade will be available upon request to the Office of Foreign Agricultural Relations.

eastern and southeastern Asia, where rice constitutes the most important item in the diet. That area includes the world's greatest rice-surplus region, namely that of Burma, Thailand, and French Indochina. Production in that area now is far below pre-war harvests. Burma's crop in 1944-45 is believed to have dropped about 40 percent below normal. In Thailand and French Indochina, production appears to be from 20 to 25 percent below the pre-war average. The reduction has been due principally to reduced acreage following inability to dispose of large surpluses during the war. Beginning with 1940, shipments to Japan from this area, especially from Thailand and French Indochina, soared from a previously insignificant amount to almost 5 billion pounds. Substantial quantities continued to be exported until shipping shortages reduced deliveries. The rice surplus in these three countries undoubtedly has helped to maintain the Japanese Army in southern Asia. Total Japanese takings, however, have been materially below the pre-war surpluses in these countries.

Production in other Japanese-occupied countries is also believed to have declined. These include the slightly deficit countries before the war of the Netherlands Indies and the Philippine Islands and the large importing country, British Malaya. In the heavy-producing area of the Philippines, a reported reduction in numbers of work animals is likely to have prevented cultivation of the usual rice acreage. In Luzon, where about 70 percent of the Philippine crop is produced, the main crop is planted from June to August and harvested from October to January. Military operations and disrupted transportation have probably interfered with the distribution of supplies from this year's crop. It is believed that the rice acreage next season may be somewhat below normal. Indications are, however, that the rice crop in Manchuria may be larger than former harvests.

The crop in the Japanese Empire, pre-war boundaries, apparently is again below average, being estimated officially at 564 million bushels, or about the same as that of last year. This would indicate a reduction of approximately 35 million bushels, of

rough rice, or 1.2 billion pounds of brown rice, below the pre-war output. Such a drop would be equivalent to a reduction of about 5 percent in normal consumption. Before the war, Japan imported over 4 billion pounds (brown) annually, virtually all of it from Korea and Formosa. Since Korean rice production has declined considerably, imports from that area, formerly amounting to about 2.3 billion pounds, probably have fallen off materially. Moreover, the probability is that imports from Formosa are also smaller than normal because of inability to maintain normal shipping services. It is doubtful if Formosan production has increased during the war.

In contrast to crops in the Far East, preliminary information from rice-producing countries of the Western Hemisphere indicates that the outturn in 1944-45 will surpass all former record harvests. Production is unofficially forecast at 220 million bushels against 214 million a year ago, and an average of about 155 million from 1935-36 to 1939-40. The acreage seeded to rice was increased again in nearly all countries, but because of dry weather in South America, the production may not show a rise proportionate with the expanded acreage.

If weather conditions during harvesting are average, rice production in South America will be slightly larger than the record production of 130 million bushels a year ago, and substantially above the average of 39 million bushels during 1935-36 to 1939-40. A drought over a wide area seriously damaged the crop in southern Brazil, particularly in the rice-exporting State of Rio Grande do Sul. Because of a large outturn in São Paulo, however, the Brazilian crop may exceed last year's level.

A smaller Ecuadoran acreage will considerably reduce the harvest in that country. Record exports of about 150 million pounds were shipped from Ecuador in 1944, partly as the result of a large carry-over at the beginning of the year. Exports from that country during 1945, however, are expected to decline considerably because of smaller production. Acreage was increased in Chile, but adverse weather reduced the yields, and only an average crop will be harvested. Chile's exports rose to 60 million pounds

in 1944, but shipments in 1945 will probably be smaller. Argentina's acreage was about the same as a year ago, and the crop has been reported from fair to good.

Production in North America was the largest in history, principally because of the increased United States production. Another record crop was harvested in this country in 1944, the fourth successive year in which production was increased. The 1944 crop of 70 million bushels compares with 65 million a year earlier, and the pre-war average of 50 million bushels. The United States still holds its position as the largest exporter of rice in the Western Hemisphere. Exports have shown a rapid increase in recent years, as a result of efforts to furnish rice for the Allied countries.

A record rice crop of 5.8 million bushels was produced in Mexico in 1944. A crop of this size before the war would have exceeded domestic requirements and permitted substantial exports, but it is now reported to be insufficient for local needs. The greater demand for rice in Mexico has been due chiefly to a shortage of other cereal foods. The larger consumption was made possible by the increased production and by prohibition of exports beginning in 1943.

Rice production in the Central American Republics is estimated at 7 million bushels, compared with 7.4 million a year ago, and with 5.9 million during 1935-36 to 1939-40. Unfavorable weather again reduced the yields in all Central American countries, except in Panama, where a large crop was harvested. The record production in Central America was harvested in 1942-43, but weather conditions have been unfavorable in the past 2 seasons.

The greatest change in the Caribbean rice picture was the development of a rice shortage in the West Indies after the war began. A sharp drop took place in rice consumption on these islands when this staple could not be obtained in normal quantities. The Caribbean is the great rice deficit area of the Western Hemisphere, production in that area supplying only a small fraction of its requirements.

Of total imports into the Caribbean area amounting to 600 million pounds before the war, 445 million were taken by Cuba,

the principal rice-importing country in the Western Hemisphere. Imports of 450 million pounds during 1944 were considerably above those of the 2 preceding years, when decreased shipping facilities and curtailment of supplies in exporting countries reduced imports. Of the 1944 imports, about 80 percent came from the United States, and 19 percent from Ecuador. Imports from the Latin American countries of Ecuador and Chile were below those of 1943.

European rice production in 1944-45 was above that of the preceding year, but considerably below pre-war production. The Italian harvest exceeded that of the year before, but was about 20 percent below the peak production of 1940. The Spanish crop was above production a year earlier, but materially below the production level prevailing before the civil war. The 3.6 million bushel harvest in Portugal was the smallest in 5 years, but slightly above the pre-war outturn. Production has increased substantially in that country in recent years.

Before the war, the Continent imported about 3 billion pounds of rice annually. The Allied countries, including France and Belgium, imported 1,700 million; the neutral countries, 124 million; and German-occupied countries, 1,100 million pounds. The largest importer was France, taking 1,200 million, and Germany the second largest, with almost 450 million pounds.

The crop in Africa in recent years has shown a steady increase, due chiefly to an expansion in production in Egypt, the only country of that continent that exports rice in comparatively large quantities. An Egyptian crop of 39 million bushels this season compares with a small crop a year ago of 34 million, and pre-war production of 32 million bushels. The rise is attributed to the fact that acreage was increased to provide rice for the Allied Nations. Exports from Egypt averaged about 250 million pounds annually before the war. In Madagascar, a crop of 33 million bushels this year was slightly above production a year ago, and below pre-war output. Rice is an export crop for this island. Shipments ranged from 20 to 40 million pounds in the 1920's, but during the years preceding the war they had dropped to 7 million pounds.

L. Thelma Willahan

SOUTHWEST PACIFIC COPRA PRODUCTION

From 1934 to 1938, the islands of the Southwest Pacific, excluding the Philippines, exported on the average about 231,000 short tons of copra yearly, or about 13 percent of the world's average total of 1,825,000 tons. Areas accounting for approximately 135,000 tons, or about 58 percent of the amount formerly exported, fell into Japanese hands when they occupied five important island groups in 1942. Thus the amount available from the producing islands of the southwest Pacific was greatly reduced. In fact, Japanese occupation of these islands, together with occupation of the Philippines, Malaya, and the Netherlands Indies, resulted in the cutting off of about 75 percent of the world's supply of copra and coconut oil. Because of the resulting shortage in supplies of high-lauric-acid oils, the attention of the United Nations has been focused on the unoccupied Pacific islands as an important source of supply.

COPRA: Exports from Southwest Pacific Islands, averages 1926-1930, 1934-1938, annual 1939-1941

Islands	Average a/		1939	1940	1941
	1926-1930:	1934-1938:			
	Short tons	Short tons	Short tons	Short tons	Short tons
French Settlements in Oceania	15,300:	23,900:	25,900:	7,100:	15,200
Gilbert and Ellice Islands	4,800:	5,900:	- :	- :	-
Japanese Mandated Islands	11,400:	15,500:	- :	- :	-
Fiji Islands	31,200:	33,300:	30,650:	22,800:	16,700
New Caledonia	5,400:	2,800:	3,800:	- :	-
New Guinea, British Mandate	63,400:	75,100:	82,100:	66,500:	-
New Hebrides	12,100:	11,200:	16,300:	14,500:	-
British Solomon Islands	25,200:	24,800:	25,300:	24,600:	-
Western Samoa, British Mandated Territory :	14,600:	13,200:	14,000:	6,320:	-
Papua	11,900:	11,600:	10,500:	- :	-
Tonga	16,100:	13,200:	11,800:	8,200:	-
Total b/	211,400:	230,500:c/	240,850:c/	170,000:c/	150,000

a/ Compiled from official sources through 1938.

b/ Probably an additional 5,000 tons of copra were exported from other islands, but data regarding the movement are incomplete.

c/ Totals are estimated when data are incomplete.

Southwest Pacific copra is generally of poor quality. Mold is common because of improper drying. In normal times it sells on the world market at a price considerably under the top grades from Ceylon and Malabar in India. Most of it is sun-dried but before the war there was increasing use of kilns. By far the largest portion of the copra is produced by natives. A number of European-directed plantations were operated, however, in Fiji, the Solomons, the Territory of New Guinea, and in French Oceania. The data available are not sufficient to make possible a satisfactory estimate of the total number of acres under cultivation, either on plantations or by natives. In most of the native plantings the average copra yield per acre

is only about 600 pounds. Some of the European-owned plantations report yields as high as 1,500 pounds.

On most of the islands the industry is poorly organized. Collection of nuts by natives is spasmodic, depending mainly on their desire for manufactured products. Native planting methods are poor, little consideration being given to overcrowding or to approved cultivation practices. Virtually no fertilizers are used. On foreign-operated plantations greater care is taken in spacing the palms, and the number of trees planted per acre is fairly constant, averaging between 45 and 50.

The coconut industry is not diversified as in Ceylon, where desiccated coconut, coir and copra cake are important byproducts.

No coconut oil is exported. A small crushing plant in the Colony of Fiji furnishes the local demand for oil. In the other island groups, commercial crushing plants are not reported. Native use of the oil, expressed from copra by primitive methods, is widespread.

Coconut palms grow on the shores of all South Sea Islands. Actual damage by war, however, has probably been negligible. On the other hand, a large percentage of the groves are in poor condition through lack of care and inability to transport copra. In several of the unoccupied islands labor has been diverted to other tasks. The occupied islands have had no outlet for copra. On many of the islands a heavy growth of volunteer palms has developed from fallen nuts. Underbrush and grass have invaded the planted areas, because livestock has been moved or killed. Considerable work will probably have to be done to bring plantings back to pre-war condition.

Copra exports for the period 1934-1938 from the British-controlled islands averaged 177,100 tons, or 77 percent of the total. Exports from French possessions for the same years averaged about 26,700 tons. The Japanese Mandated Islands shipped about 15,500 tons yearly, or 7 percent of the total. The condominium of the New Hebrides, jointly administered by Great Britain and France, exported 11,200 tons or 5 percent.

The Mandated Territory of New Guinea consists of northeastern New Guinea, the Bismarck Archipelago, and the Islands of New Britain, New Ireland, and the Admiralty group. This Territory, the most important producing area of the Southwest Pacific, exported an annual average of 75,000 tons between 1934 and 1938. Not only is it the largest producer, but it is also considered to ship the best quality of copra. Exports are closely supervised to insure a standard grade; penalties are invoked for copra prepared from immature nuts and improperly dried meats. The chief concentration point for shipment was Rabaul, with copra from this Territory being designated by that name.

During the 1930's a small desiccated-coconut industry was established. Exports of this commodity reached 1,600 tons in 1939. The total area under plantation cultivation

for this Territory in 1940 was about 265,000 acres. Should a strong demand develop for copra following the close of war, large areas of land are available to expand plantations.

About 250 islands make up the Crown Colony of Fiji. Pre-war exports from this area averaged about 33,000 tons. About one-half of the copra exported originates on plantations, and the remainder is from native groves. The three islands of Taveuni, Lau, and Vanua Levu account for some 77 percent of the total production. The copra of the colony is generally of low grade.

Some efforts have been made recently to establish a grading system. The average yield of copra is about 675 pounds per acre. Coconut palms on reasonably good soil bear well up to 80 years, the maximum yield being obtained when they are 20 to 50 years old. Yields, however, are often reduced by insects. The insect pests that have cut coconut production are Lavuna, scale, and the spathe borer. Some success in their control has been accomplished through the introduction of insect predators. Fiji, unlike many of the other island groups that rely solely on the export of copra for economic livelihood, has a more diversified agriculture. It produces sugar, bananas, pineapples, livestock, and a small amount of cotton. It is estimated by one source that about 250,000 acres of palm trees could be planted, if the post-war demand warranted.

Some 15 large islands and numerous small ones make-up the British Solomon Island Protectorate, which lies to the west of New Guinea. The plantation coconut industry, begun in the early part of this century, is the only one of any importance. In 1940, the total number of acres under cultivation was about 63,000, with Ysabel, New Georgia, and Guadalcanal having about 51,000 acres, or 80 percent of the total. Before the war there were three companies operating in the islands, the estates of which varied in size from 300 to 3,000 acres.

The most consistently good-yielding plantations have been those of the Russell Islands, where yields average 1,100 to about 1,700 pounds per acre. On the other islands yields are considerably lower, due mainly to immature nut-fall caused by *Amblypelta*

cocophaga, for which no insect parasite or predator has been found. Before 1940, exports were averaging about 24,800 tons yearly, practically all from commercial plantations. The bulk of the exports moved to Australia before the war. As in New Guinea, extensive areas of suitable lands are available for future coconut plantings.

From the Gilbert and Ellice Islands, only about 5,800 tons of low-grade copra were exported annually. In this colony all the coconut land is in the hands of natives, except for foreign-owned plantations on Christmas, Washington, and Fanning Islands. Fresh coconuts are used extensively for food and drink. The total area under coconut cultivation is reported to be about 20,000 acres, and the average yield per acre of copra is only 600 pounds. The low yield is primarily attributed to over-planting the land. In general, the soils are poor and will support only a narrow range of food plants. The amount of land available for expansion is limited.

In the island group of Tonga the only crop of importance is copra, the entire production being handled by natives. Coconuts are used extensively for cooking and eating purposes and for feed for livestock and poultry. Commercial coconut plantations do not exist. The majority of native groves are over-planted. By legislation the natives are required to plant a certain portion of their holdings in coconut palms. Pre-war exports of copra from Tonga averaged about 13,000 tons.

In Papua, which is situated in the southeastern half of New Guinea, approximately 45,000 acres of coconuts were under commercial cultivation in 1940. In addition, the natives were required to plant coconuts for their own food supply. Most of the copra for this area moved to Australia before the war, and exports averaged about 11,000 tons before 1940.

From the condominium of the New Hebrides, copra exports averaged 11,200 tons for the 5-year period 1934-1938. Like the Fiji Islands, the agriculture is more diversified, with cocoa, coffee, sandlewood, and cotton being important industries.

From 1934 to 1938 the Islands of French Oceania shipped about 24,000 tons of copra.

The average annual yield of coconuts per tree in the colony is from 25 to 30 nuts. On some of the better-cared-for plantations the yield is as high as 45 nuts. It is generally believed that not more than two-thirds of the total production is harvested during normal times, and the remaining one-third of the nuts rot in the brush or are destroyed by rats before being gathered. It is estimated that about 45,000 acres are planted with coconut trees in French Oceania. Most of the crop is produced by natives who have plantations averaging some 25 acres in size. Before 1930, a large percentage of the exports moved to the United States, but after that year practically all the copra was shipped to France. During 1940 and 1941, the colony experienced hard times because European markets were closed by the war. Since that time, however, the situation has greatly improved, and exports are once more approaching the 1939 record level of 26,000 tons. The only other French area of importance is New Caledonia. Before the war this island exported some 2,800 tons of copra yearly.

The Japanese Mandated Islands of the Pacific, consisting of the Marianas, Carolines, and Marshalls, exported an average of 15,500 tons before the war. It appears that about 28,000 acres were under coconut palms in the Marshalls in 1940. The Caroline group in the same year had about 43,000 acres.

When the principal producing areas of the Philippines, Malaya, and the Netherlands Indies are in position to ship copra and coconut oil in large volume again, the importance of copra from the Pacific islands will diminish. Because of its generally low grade, importers will prefer the better quality copra from other areas. The Southwest Pacific will probably revert to its former position, supplying about 10 to 15 percent of the world requirements of that commodity. A more diversified agricultural economy will be slow in coming to most of the island groups. The nature of the natives and the land resources are inhibiting factors. These islands will probably continue to rely on the export of copra as the chief means of economic livelihood for some time to come.

Douglas M. Crawford

LATE COMMODITY DEVELOPMENTS

GRAINS, GRAIN PRODUCTS, AND FEEDS

URUGUAY HARVESTS REDUCED SMALL-GRAIN CROPS

The 1944-45 small-grain harvest in Uruguay was considerably reduced from the 1943-44 production and was also below average, according to recent reports. Some reduction from the previous year's wheat acreage is noted, but small yields account for the bulk of the reduction. Average yields for the current harvest are indicated at about 7.8 bushels per acre, compared with last year's high yield of 13.5 bushels and an average of 10.7 bushels in recent years. Wheat import requirements for the year are placed at a minimum of 2 million bushels, contrasted with last year's exports of over a million bushels, in the form of flour.

URUGUAY: Acreage and production of small grains, 1944-45, with comparisons

YEAR	WHEAT	OATS	BARLEY
	: 1,000	: 1,000	: 1,000
ACREAGE	: acres	: acres	: acres
Average 1937-38 to	:	:	:
1941-42	1,169:	212:	50
1942-43	987:	194:	50
1943-44	819:	402:	60
1944-45 a/	787:	155:	55
	: 1,000	: 1,000	: 1,000
PRODUCTION	: bushels	: bushels	: bushels
Average 1937-38 to	:	:	:
1941-42	12,533:	2,689:	640
1942-43	12,388:	2,688:	601
1943-44	11,046:	5,364:	1,085
1944-45 b/	6,120:	2,315:	692

From official sources.

a/ Second estimate. b/ First estimate.

BOLIVIA REPORTS FAVORABLE CROP PROSPECTS

Crop conditions are favorable in Bolivia, and slightly above-average outturns of wheat and corn are expected on the basis

of current reports. The outlook for the growing crops in parts of the country is said to be the most promising of recent years.

CUBA BUYS ECUADORAN RICE

The Cuban Government has bought 35 million pounds of the Ecuadoran rice crop to be harvested in the coming season. The rice is to be exchanged for Cuban sugar, in accordance with an earlier agreement providing for exchange of the two commodities. It is reported that the Cuban Government is also seeking to make similar arrangements with Chile. Although Cuban rice stocks at the present time are at a high level, the inability to obtain rice from the United States in the near future is a matter of concern to Cuban importers.

VEGETABLE OILS AND OILSEEDS

CUBAN STOCKS OF FATS AND OILS AT LOW LEVEL

Stocks of fats and oils in Cuba on March 1, 1945, were at a low level, with a shortage of lard becoming serious. Imports during February were small. Cuban importers had difficulty in finding sellers. Consumption of lard continues to average near 6 million pounds per month and that of vegetable oil near 2 million pounds.

As a result of small receipts in February, March 1 stocks were down to about 11 million pounds of lard and 5 million pounds of vegetable oil. Soap manufacturers reported negligible supplies of inedible fats and oils. Stocks of soap were very low in all trade outlets during February.

Prices of fats and oils in Cuba were firm at their ceilings. Lard prices remained at 22 cents wholesale per Spanish pound (1.01412 United States pounds) and 25 cents retail. Edible vegetable oils were 32 cents wholesale per pound and 42 cents

retail. Because of small supplies and great demand, there have been some sales above the ceilings, mostly in areas outside Habana.

The output of peanut oil is declining as supplies for crushing from the 1944 crop diminish. Production in February is believed to have been between 1 and 1.5 million pounds. The total oil production from the 1944 crop tentatively is estimated at 12 million pounds, which is slightly smaller than the previous estimate of 13.7 million pounds. Most peanut crushers concluded operations in March.

Cattle slaughter was very low during February. Cattle have been lean because of the severe drought. Tallow production was consequently low, probably not more than 750,000 pounds in February. In order to assure the maximum possible production of this commodity, the Office of Price Regulation and Supply is studying a plan whereby each slaughter house would be obliged to deliver a specified amount of tallow for each animal slaughtered, under penalty of the loss of the plant's slaughter quota.

Total production of fats and oils in Cuba during 1945 will probably be somewhat less than in 1944. Tallow and lard output may be about the same, but peanut-oil production has very little possibility of exceeding 12 million pounds, which together with 10 million pounds of tallow and 6 million pounds of lard would make a total of 28 million pounds.

With domestic production, plus the addition of allocated supplies from foreign sources, the prospects are that Cuba's essential requirements will be met but that stocks will remain at a relatively low level throughout 1945.

COTTON AND OTHER FIBERS

BURMA COTTON PRODUCTION MAINTAINED AT PRE-WAR LEVEL

The 1943-44 cotton crop in Burma is reported to have been slightly larger than pre-war production, which averaged 98,000 bales (of 478 pounds net) during the 5 years ended with 1940-41. The 1944-45 crop was about equal to pre-war production. Annual consumption by the only cotton-spinning mill

in Burma amounted to 9,000 bales in pre-war years. The remainder of the cotton produced during the war years is believed to have received a high shipping priority for export to Japan in view of the serious shortage of cotton in that country.

WEEKLY COTTON PRICES ON FOREIGN MARKETS

The following table shows certain cotton price quotations on foreign markets, converted at current rates of exchange.

COTTON: Price of certain foreign growths and qualities in specified markets

MARKET LOCATION, KIND, AND QUALITY	DATE: 1945:	PRICE PER POUND
		Cents
Alexandria (spot)	:	:
Ashmouni, F.G.F.	3-22:	30.06
Giza 7, F.G.F.	3-22:	32.99
Karnak, F.G.F.	3-22:	32.57
Bombay (March futures)	:	:
Jarila	3-23:	17.63
Bombay (spot)	:	:
Kampala, East African	3-23:	32.66
Buenos Aires (spot)	:	:
Type B	3-24:	14.59
Lima (spot)	:	:
Tanguis, Type 5	3-24:	15.47
Recife (spot)	:	:
Mata, Type 5	3-23:	12.68
Sertao, Type 5	3-23:	13.50
São Paulo (spot)	:	:
São Paulo, Type 5	3-23:	13.50
Torreón (spot)	:	:
Middling, 15/16"	3-24:	18.01

Compiled from weekly cables from representatives abroad.

FRUITS, VEGETABLES, AND NUTS

CHILEAN FRUIT PRODUCTION WILL BE LOWER

Production of deciduous fruit in Chile during the 1944-45 season is reported as being somewhat less than in 1943-44. All fruits suffered from heavy rains in February and from attacks of disease and insects. Production of apples is forecast at 600,000 boxes, about a normal crop. Early varieties

already have been harvested. Chile expects to export about the same amount of apples in 1945 as was exported in 1944, or 175,000 boxes. The exports probably will be to other South American countries and Panama. Production of pears is estimated at 45,000 boxes, about 20 percent lower than last year's output. Most of the reduction occurred in the early crop. The early peach production was severely damaged, in some localities to the extent of three-fourths of the crop. The total 1944 crop was estimated at 28,000 short tons. Plums are estimated at 1,500 short tons, about one-third of last year's crop. Apricots will probably be about the same as in 1944, or 248 tons.

MEXICAN FRESH VEGETABLE SHIPMENTS CONTINUE TO INCREASE

Shipments of fresh vegetables to the United States from the West Coast of Mexico for the 2 weeks ended March 15 totaled 21,222,000 pounds, or 6 percent more than the 20,068,000 pounds shipped the preceding 2 weeks this season, and 20 percent over the 17,630,000 pounds for the corresponding period last year. Present indications are that total shipments for the season may be more than 9,000 cars, if the market remains good and sufficient cars are available. Tomato shipments are expected to increase for a while because of favorable market conditions and availability of more refrigerator cars.

FRESH VEGETABLES: Shipments from the West Coast of Mexico to the United States, 1943-1945 seasons

COMMODITY	SEASON THROUGH MARCH 15		
	1943	1944	1945
	1,000	1,000	1,000
	pounds	pounds	pounds
Tomatoes	73,677	61,432	98,572
Peas, green	12,465	11,845	7,222
Peppers	5,821	3,552	10,090
Eggplant	181	512	227
Total	92,144	77,341	116,111

Official sources.

The quality of the tomatoes is good, but some of the fruit has been overripe when it reached Nogales, due to slowness of the

trains and too few cars after tomatoes were packed for shipment. Peppers and eggplant are of good quality, and are bringing good returns. About 250,000 gallons of tomato puree are expected to be shipped through the port of Nogales during 1945. The factory producing this product is located at Los Mochis, Sinaloa, and will utilize some of the surplus tomatoes.

LIVESTOCK AND ANIMAL PRODUCTS

TERMS OF CANADIAN-BRITISH BEEF CONTRACT CLARIFIED

The United Kingdom has guaranteed to take at least 134.4 million pounds of Canadian beef in 1945, according to the latest interpretation of the existing contract. The British Minister of Food stated in the House of Commons on November 15 that in addition to the guaranteed quantity of 134.4 million pounds, Britain will take any further quantities that Canada can offer.

At first, Canada had guaranteed to supply 50 million pounds in 1944 and the same quantity in 1945, but the British Ministry of Food had guaranteed to take 112 million pounds in 1944 and 134.4 million pounds in 1945. This was at first interpreted by the Canadian Government to represent maximum quantities but is now thought to represent minimum quantities. The contract has been extended through 1946 on the present terms.

Purchases of beef by the Meat Board for export to Britain during 1944 exceeded 112 million pounds, and in 1945 it is anticipated that they will exceed 134.4 million pounds. A comparison of these figures with beef exports from Canada for earlier years, averaging only 8 million pounds in the 5 years 1938-1942, would not be a true one, since most of the Canadian surplus was exported to the United States in the form of live cattle up to mid-June 1942, when such cattle exports were made subject to license. Since then no licenses for exports of beef cattle have been granted. Exports of beef and of live cattle, converted to a dressed-carcass-weight basis, in the 5-year period 1938-1942, averaged about 90 million pounds per year.

CANADIAN SHEEP AND WOOL PRODUCTION AT WARTIME PEAK

Present prospects indicate that production of Canadian sheep and wool has about reached the peak of wartime expansion. Wool production in 1945 is expected to about equal the record total of 19,279,000 pounds reached in 1944, when the shorn wool output was 15,128,000 pounds and pulled wool 4,151,000 pounds (revised).

CANADA: Production, trade, and consumption of wool (grease basis), 1938-1944

YEAR	TOTAL : PRODUC- TION a/	EXPORTS: b/	IMPORTS: c/	APPARENT CON- d/ SUMPTION
	1,000 : pounds	1,000 : pounds	1,000 : pounds	1,000 : pounds
1938 ...	15,628:	4,398:	45,101:	56,331
1939 ...	15,250:	4,879:	51,953:	62,324
1940 ...	14,895:	2,681:	86,170:	98,384
1941 ...	15,254:	3,025:	93,070:	105,299
1942 ...	16,477:	384:	114,428:	130,521
1943 ...	17,818:	2,316:	104,364:	119,866
1944 ...	19,279:	15,520:	52,690:	56,449
	:	:	:	:

Compiled from official sources.

a/ Shorn and pulled.

b/ Includes wool in the grease, washed or scoured, and pulled or slipped, converted to a greasy basis.

c/ Includes wool in the grease, washed or scoured, pulled or slipped, noils, worsted tops, and garnetted wool waste in the white, converted to a greasy basis.

d/ Not adjusted for stock changes.

The number of sheep on farms in December 1944 was expected to be about the same as the record number reported in December 1943. Last June the number was 21 percent above average pre-war (1934-1938) numbers, according to the revised figures recently published. As the peak of the current expansion is believed to have been reached, there is very little likelihood that wool production in Canada will be sufficiently large, in the near future, to take care of total Canadian mill requirements, which even in normal years averaged a little over 50 million pounds.

Any marked expansion of wool production would necessarily require a further increase in lamb production and would present the

problem of finding larger outlets for mutton and lamb. This was demonstrated when additional markets for live sheep and mutton and lamb were sought last fall in order to maintain prices. Last September, the Canadian Government lifted the ban against exports of sheep and lambs to the United States. From the last of September to the end of December 135,000 head were shipped to the United States and another 31,000 head moved in the first 2 months of 1945. Shipments in 1944 were larger than in any year since 1920.

In Canada, as in the United States, the price of lambs is a more important factor in governing sheep numbers than the price of wool. Thus two of the Canadian wartime subsidies for the purchase and transportation of breeding ewes have been dropped in 1945.

The Dominion Government, however, will continue to pay half the cost of a bonus of 4 cents per pound for all clean grades of wool grown in Provinces that agree to pay the other half. Only Manitoba and British Columbia failed to participate in 1944 and have not yet committed themselves to participation in 1945. One of the Maritime Provinces pays a small additional subsidy on wool production.

Alberta leads as a wool-producing Province with the eastern Province of Ontario next, Saskatchewan third, and Quebec fourth. Most of the western range wool is fine or 1/2 blood staple (3/8 blood or 1/4 blood staple if from western farms) while most of the eastern wool is 1/4 blood or coarser.

Despite the substantial increase in production of wool reached in the war years, it has been necessary to double wool imports in order to meet the increased consumption and stock requirements. Imports, including raw wool, tops, noils, and waste, rose from 51,953,000 pounds, grease basis, in 1939 to 114,000,000 pounds in 1942, but since then have decreased. In 1944 they fell almost to the pre-war level, while exports increased, and were about four times the 1939 level.

Annual consumption figures during the war fail to give a true picture of the situation owing to the inclusion of stocks,

which have not been reported separately. A 5-year average for the years 1940-1944, however, indicates that while production increased 5 percent above the preceding 5-year period, imports, including stocks, in the same period increased 71 percent. Exports and reexports, which are relatively small compared with imports, decreased in the war years. Exports of certain kinds, of Canadian-grown wool, however, especially the highly lustrous wools, can usually be marketed to better advantage in the United States. Exports normally average about one-third of Canadian production. Manufacturers in Canada often prefer to buy blended tops more precisely suited to their requirements than can be produced in Canada. New Zealand is the most important source of raw-wool imports, and the United Kingdom

the most important source of tops, yarns, and fabrics.

Employment in the wool yarns-and-cloth industry continued to decline in 1944. The index of the number employed (average in 1926=100) was slightly less than 170 in most months of 1944, as compared with around 197 in the early months of 1943 and a peak of 206.3 in April 1942. Consumption of raw material, however, did not change in the same proportion because of variations in the hours worked per employee and in the skill and efficiency of employees. The supply of labor is short, and the easing of war orders will not result in proportionately larger output of civilian goods. Larger shipments of woolen and worsted cloth from Britain have helped to meet shortages caused by the reduced mill activity in Canada.

- - - - -